



OFFICE OF THE ATTORNEY GENERAL OF TEXAS
AUSTIN

GERALD C. MANN
ATTORNEY GENERAL

Honorable Forrester Hancock
District Attorney
Waxahachie, Texas

Dear Sir:

Opinion No. 0-3568
Re: Assessed valuation of shares
of stock in national bank.

We have your letter of May 17, 1941, requesting
our opinion in response to the following questions:

"Should National Bank stock be rendered on:
- (1) Its Book value evidenced by its capital,
Surplus and Undivided Profits less the amount
per share at which its real estate is assessed;
or, (2) Should it be rendered at its actual
cash or true and full value less the assessed
real estate; and/or (3) would either way be
correct legally?"

In Article 8, Section 20 of the State Constitution
it is provided that:

"No property of any kind in this State shall
ever be assessed for ad valorem taxes at a great-
er value than its fair cash market value, nor
shall any Board of Equalization of any govern-
mental or political subdivision or taxing district
within this state fix the value of any property
for tax purposes at more than its fair cash mar-
ket value."

In Article 7166, Revised Civil Statutes, relating
to the assessment of the real estate of and shares in both
state and national banks provides that:

"Each share in such bank shall be taxed
only for the difference between its actual
cash value and the proportionate amount per
share of which its real estate is assessed."

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In view of the language contained in Article 8, Section 20 of the Constitution and of said Article 7166, it is our opinion that the term "true and full value" as used in the first section of Article 7165, Revised Civil Statutes, means the same thing as "actual cash value" as used in Article 7166 and "fair cash market value" as used in said Constitutional provisions. In a county where property is required to be assessed at 100% of its actual cash value, each share in a national bank should be taxed only for the difference between its actual cash value and the proportionate amount per share at which the bank's real estate is assessed, as provided by Article 7166. We enclose copy of our Opinion No. 0-2406 which indicates the method of arriving at the proper valuation of such shares in a county where the Board of Equalization systematically assesses property at a percentage less than the full value. We believe this will sufficiently answer your questions.

Yours very truly

ATTORNEY GENERAL OF TEXAS

APPROVED MAY 26, 1941

Sam Butler

FIRST ASSISTANT
ATTORNEY GENERAL

By

Glenn R. Lewis

Glenn R. Lewis
Assistant

GRL:lh

